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INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHZN/ENVIRONMENT SCIENCE AND TECHNOLOGY COLLECTIVE

RHEBAAA/DEPT OF ENERGY WASHDC

UNCLAS SECTION 01 OF 02 NEW DELHI 000777

SENSITIVE SIPDIS

STATE FOR OES/PCI, OES/EGC, AND SCA/INS

STATE FOR STAS

STATE PASS TO NSF FOR INTERNATIONAL PROGRAMS

E.O. 12958: N/A

TAGS: SENV TRGY PREL ECON KGHG IN SUBJECT: CHARGE BURLEIGH ENGAGES INDIAN SPECIAL ENVOY FOR CLIMATE

CHANGE SHYAM SARAN

11. (U) This is an action request. Please see paragraph 10. 12. (U) SUMMARY: In a wide-ranging meeting on April 14. 20 (U) SUMMARY: In a wide-ranging meeting on April 14, 2009, Charge Burleigh discussed climate change, renewable energy, nuclear non-proliferation, and next steps for the Indo-U.S. Civil Nuclear Agreement with Indian Special Envoy for Climate Change and Civil Nuclear Affairs Shyam Saran. Saran shared India's interest in collaborating on renewable energy as well as issues India plans to raise at the April 27-28 Major Economies Forum on Energy and Climate. Details of the non-proliferation and civil nuclear discussion will be reported septel. END SUMMARY. ¶3. (U) Charge Burleigh opened the conversation by expressing the U.S. desire to maintain a close and open dialogue with India on climate change and engage in practical, on the ground collaboration in renewable energy technologies. S/E Saran noted his conversations with Special Envoy for Climate Change Todd Stern in March had been extremely beneficial and substantive, as were his meetings with John Holdren, Director of the Office of Science and Technology Policy, and Secretary of Energy Steven Chu. He said his Washington interlocutors had expressed a very keen interest in working with India which India welcomes as the two countries see climate change and energy security as two sides of the same coin noting both can only be resolved with a strategic shift from fossil fuel to nuclear and renewable energy. In addition, he noted India's basic philosophy towards combating climate change was remarkably similar to that of the U.S. as both countries emphasize the need to grow their economies while confronting the issue.

POTENTIAL AREAS FOR COLLABORATION

 \P^4 . (U) Saran stated both the U.S. and India had talented scientists and entrepreneurs and that there was fertile ground for collaboration in clean coal and renewable energy. In regard to coal, Saran noted both countries rely heavily on coal fired electricity generation and stated he did not believe this would change in the foreseeable future which made clean coal technology of great interest to India. However, Saran stated India would not pursue carbon capture and sequestration (CCS) technology as Indian power plants are usually located far from geologic formations suitable for carbon sequestration which reduces net emission reductions due to the need to transport the captured CO2. In addition, he stated India's geologic formations are in seismically unstable areas and that India did not want to take the risk of a CO2 release. Despite this, Saran stated India wa willing to collaborate with the U.S., either bilaterally or multilaterally, on CCS technology and if proven, would reconsider adoption. Saran also noted India's interest in gas to liquid fuel technology for converting coal flue gases into methanol. He also said India was looking at biochemical processes whereby algae is used to sequester carbon.

(U) Saran stated India sees solar energy as the future and is planning on rolling out an "ambitious but realistic" plan under the National Solar Mission. He noted the first draft of the National Solar Mission had been discussed in the Prime Minister's office on April 13, 2009. Saran said the plan called for a Collected Solar Power (CSP) pilot plant and that India would welcome U.S. collaboration in its development. He also stated India would be happy to collaborate on waste to energy, biomass, and other renewable energy projects.

ISSUES FOR THE MAJOR ECONOMIES FORUM

- 16. (SBU) Saran confirmed he will attend the Major Economies Forum on Energy and Climate (MEF) April 27-28 in Washington and noted several issues he intends to raise including carbon capture, CSP, forestry, the sectoral approach, and the issues to be discussed at the MEF Leaders meeting. In regard to carbon capture, Saran stated he wanted the major economies to broaden the discussion to include forms of CCS other than geologic sequestration. As to CSP, he intends to announce India's CSP pilot project and interest in international collaboration. In regard to forestry, Saran stated he wanted to see the major economies endorse a position where afforestation was rewarded in the same fashion as avoided deforestation under any international regime agreed to at Copenhagen.
- (SBU) Saran once again repeated the Indian aversion to the sectoral approach to reducing greenhouse gas emissions claiming it was a form of protectionism hiding under a green cloak. He stated India did not want international standards to negatively impact its industry. Saran responded to a challenge - that in certain sectors

NEW DELHI 00000777 002 OF 002

such as steel, India competes at a world level and therefore its global competitors believe it should be held to an international standard - by agreeing that while certain elements of the Indian steel industry are world-class, there was so much diversity in production methods in India it was impossible to arrive at an Indian standard, let alone an international standard. He noted these issues quickly become emotional and recounted an episode at the most recent Bonn climate talks where a Japanese delegate made an impassioned outburst claiming that if India did not agree to reduce emissions, there would be no agreement at Copenhagen. Saran expressed a desire to enlist U.S. support to reduce such outbursts by representatives of the major economies. He concluded his discussion of the sectoral approach by expressing a willingness to share best practices on a sectoral basis and include a forum for doing so within the context of the Copenhagen talks.

 $\P8.$ (SBU) In regard to the MEF Leaders Meeting, Saran recommended the major economies not attempt to resolve some of the impasses in the UNFCCC negotiations at the MEF leaders meeting. He stated, without specifying, certain issues are difficult not because of a lack of leadership but because they are empirically difficult. He said he did not want to put his prime minister in a position in which the MEF Leaders Meeting could become as acrimonious as some of the UNFCCC negotiating sessions.

COOKSTOVES

 $\P9$. (U) Saran ended the climate change discussion by stating he wanted to see a major effort by India to produce more efficient cookstoves with better combustion which would reduce the amount of black carbon in the atmosphere. Charge Burleigh noted such programs had been going on in South Asia for decades. Saran replied they had all been "failed experiments" due to lack of education and community buy-in as well as poor after sales service and support. He stated efficient cookstoves needed a business plan for proper implementation and noted that the pending Waxman-Markey legislation addressed the cookstove issue.

10. (SBU) COMMENT AND ACTION REQUEST: Saran clearly signaled a strong interest in bilateral cooperation with the U.S. in renewable energy technology research and development despite our differing positions in the UNFCCC negotiations. While his comment that the National Solar Mission plan was on its first draft was disheartening, considering it is already four months overdue, it appears India will be making serious commitments to renewable energy in 2009. Building on the favorable outcome of Saran's Washington talks with Special Envoy Stern, post requests S/E Stern consider a visit to India after the June climate talks in Bonn and before the September/October climate talks in Bangkok. This timing will allow India to appoint a new lead climate change negotiator to replace Special Envoy Saran should the national elections result in a change of government. END COMMENT AND ACTION REQUEST.